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C O N F I D E N T I A L SECTION 01 OF 03 TAIPEI 000438

SIPDIS

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TAGS: [PGOV](#) [TW](#)

SUBJECT: OPPOSITION DPP FACES DIFFICULT CHALLENGES IN
PREPARING FOR KEY LOCAL ELECTIONS IN DECEMBER

REF: A. TAIPEI 0388

[1](#)B. TAIPEI 0289

Classified By: AIT Director Stephen M. Young,
Reasons: 1.4 (b/d)

[1](#)1. (C) Summary: The opposition DPP hopes to begin a comeback in key year-end local elections, but faces difficulties stemming from former President Chen's corruption trial, friction in the candidate nomination process, and a shortage of campaign funds. Too many politicians want to run in the Green-majority districts in southern Taiwan, while the party is having trouble persuading people to run in northern districts where the DPP has little hope this December. The party's recent decision to nominate legislator Lee Chun-yee to run for Tainan County magistrate has opened a rift as Lee's rival, former Presidential Office Secretary General Mark Chen, has vowed to continue his campaign. While the DPP could face reverses in some southern districts, including Yunlin and Chiayi Counties, it has opportunities elsewhere, for example, Yilan County. However, victory and defeat in December will hinge on which party wins Taipei County, home to one-sixth of Taiwan's population. End Summary.

[1](#)2. (C) So far, the opposition DPP has selected 12 candidates for the 21 county magistrates and city mayors expected to be contested in the December 5 local elections. (Note: Following a recent amendment to the law on April 4, Taichung City and County will be merged and elevated in status, with the Taichung election now expected to be held in 2010 rather than 2009. The Taichung election would coincide with elections in Taipei and Kaohsiung Cities, which will be held in December 2010.) For the elections this December, the DPP has given the nominating power to the party's central leadership, temporarily suspending a divisive primary process that contributed to defeats in the 2008 legislative elections.

[1](#)3. (C) Several DPP contacts have told AIT that, while many politicians wanted to run in the Green stronghold districts in southern Taiwan, the party was having great difficulty finding anyone willing to run in some other districts, for example Miaoli and Hualien, where the DPP had little or no chance of winning. DPP Organizational Development Director Wu Hsiang-jung stressed the importance of finding candidates who would sink their roots into the community rather than disappearing after election day. The party has repeatedly nominated DPP official and academic You Ying-long to run for

positions in Hualien, he noted, but DPP supporters are miffed that You always deserted them, returning to Taipei after each election loss. The DPP had hoped to recruit some respected former officials and academics to run in local elections, but a number of these figures, including former TECRO Representative Joseph Wu, have declined DPP offers.

14. (C) The DPP might also try a different tack and back non-DPP candidates running against KMT contenders in certain areas. DPP Chair Tsai recently told AIT that the party had successfully adopted such a strategy in the March 14 Miaoli legislative by-election worked and said the DPP would be willing to form similar alliances with non-KMT candidates in the future. (Note: The DPP did not nominate a candidate in Miaoli but rather provided low-key backing to independent candidate Kang Shih-ju, who won an upset victory over the KMT candidate (ref B).

Rift in Tainan County

15. (C) The protracted nomination process in Tainan County, the home district of former President Chen Shui-bian, has been highly contentious. The DPP Central Executive Committee on April 1 chose legislator Lee Chun-yee over former Presidential Office Secretary General Mark Chen and legislator Yeh Yi-jin as the party's candidate for Tainan County magistrate. Mark Chen, who is close to Chen Shui-bian and some deep Green independence fundamentalists, claims the selection was unfair and insists he will run in the election regardless (ref A). Wu Hsiang-jung said the party will

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continue to negotiate with Mark Chen, predicting his campaign effort will lose steam within a month or so as his support base defects.

16. (C) According to Wu, Mark Chen's supporters persuaded him to join the contest for the nomination, hoping to secure future advantages for themselves. From the start, however, DPP Chair Tsai Ing-wen was opposed to nominating Mark Chen, believing it was inappropriate for him to again compete for a post he held some years ago (1993-2000). Just days before the nomination, former DPP presidential candidate Frank Hsieh and Central Standing Committee Member Tuan I-kang separately told AIT they expected the nod to go to Yeh Yi-jin, who apparently was Tsai's initial choice. According to Wu Hsiang-jung, Tsai and other party leaders concluded that Lee was a stronger campaigner and would also be better able to stand up against pressure, especially from the former president. In addition, a controversial meeting with the jailed Chen Shui-bian damaged Yeh's chances.

All Important Taipei County

17. (C) In terms of political significance as well as size, Taipei County is worth eight to ten other counties, KMT legislator Wu Yu-sheng told us. Soochow University Professor Lo Chih-cheng noted that Taipei County is popularly known as "Little Taiwan" because a high proportion of its large population comes from other areas throughout Taiwan. The county leans Blue but is competitive, and current KMT Magistrate Chou Hsi-wei ranks very low in public opinion polls, giving the DPP an opportunity. Our DPP contacts hope former Premier Su Tseng-chang, who was a highly popular Taipei County magistrate from 1997-2004, will enter the race.

Su polls far higher than Chou Hsi-wei and almost any other potential KMT candidate, with the exception Taichung Mayor Jason Hu, who is about even with Su. Moreover, the DPP believes a ticket headed by Su would help other DPP candidates island wide in December. While Su's ultimate goal is to run for president and a loss in Taipei County, a real possibility, might abruptly end his political career, it appears likely he will run, both to serve the party and to bolster a future run for the presidency. The DPP and KMT are

playing a waiting game over their nominations in Taipei County, each hoping the other party will show its cards first. There is a slight possibility that the status of Taipei County might be raised, in which case the election would be delayed until December 2010.

Other Races

18. (C) The DPP currently holds six cities and counties, all in southern Taiwan, the two at greatest risk in the December elections being Yunlin and Chiayi Counties. (Note: The number six does not include Kaohsiung City, where the election will be held in 2010.) In Yunlin, where local factions are important, incumbent Magistrate Su Chih-fen will face a difficult race, and the DPP is having trouble coming up with a strong candidate in Chiayi County. Outside southern Taiwan, the DPP may have opportunities to win elsewhere, for example, in Yilan County where polling indicates the race is very close at this stage.

The Chen Shui-bian Factor

19. (C) Former President Chen, on trial for a series of corruption charges, is an important factor that will continue to affect DPP recovery efforts in the run up to the December elections and beyond. Pro-Blue media, especially television, are keeping an intense spotlight on all aspects of the investigation and trial of Chen. Although under detention, Chen has found ways to launch a series of public criticisms against a range of DPP leaders. Most recently, Chen turned his sights on DPP Chair Tsai Ing-wen, saying he regretted having nominated her for a legislative at-large seat in 2004 since she was not now providing him the support he needed. Our DPP contacts worry that Chen may cause more trouble if,

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as they expect, he is released from detention in May.

Campaign Funding Shortfall

110. (C) Nominating candidates is one thing; financing their campaigns is another. DPP Special Advisor Bikhim Hsiao lamented to AIT that the party barely has enough resources to cover its debt, let alone fund campaigns. The DPP's shortage of funds compared to the KMT was apparent during the two parties' election eve rallies in the recent Da'an legislative by-election. While the crowd at the KMT rally was treated to fireworks and musical performances, the DPP could not afford to provide such entertainment at its rally. DPP Chair Tsai Ing-wen recently told AIT that party fundraising had fallen off precipitously as a result of former President Chen's corruption case and the economic downturn. With Taiwan corporations now unwilling to make political contributions to the DPP, Tsai is stepping up efforts to raise funds from overseas Taiwanese supporters and will embark on a fundraising trip to Canada and the United States in early May. While candidates running in Green majority districts can raise funds locally, the party headquarters has to help fund the campaigns of those it recruits to run in "difficult" districts where the DPP has little chance of winning.

111. (C) DPP contacts complain that the KMT has more resources to fund campaigns and engages in vote buying. With the lack of funds and the continued prevalence of vote-buying, many DPP contacts question how well the party can help finance its candidates' campaigns. Even though vote-buying is illegal, our DPP contacts say the practice is still common outside Taipei and they worry that the economic downturn may increase vote buying in rural areas.

Comment

¶12. (C) In the December elections, the DPP hopes to add one or two more seats to the six it currently holds. Two contests are of special importance to the party. A win in Taipei County would be regarded as a major overall victory for the DPP in the December local elections, regardless of how well the party does elsewhere. However, if the current rift is not healed and the DPP loses Tainan County, that would be a damaging symbolic defeat for the party. Local personalities and issues will be key factors in the December elections. More generally, the economic downturn has depressed the enthusiasm of some who have supported the KMT, but the situation is changeable between now and December. Moreover, despite the KMT's very apparent problems, there is little evidence so far of a DPP recovery.

YOUNG